2023 MORTGAGE LOG DATA REPORT

JUNE 30, 2024

South Carolina
DEPARTMENT OF CONSUMER AFFAIRS

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INTRODUCTION

The 2023 Mortgage Log Analysis Report is made available in compliance with S.C. Code Ann. Sections 37-22-210(C)(2) and 40-58-65(A). **Data from 2013-2023 are included in this year's report.** To view prior reports, including the ten-year anniversary report (2011-2020), visit consumer.sc.gov. Pursuant to S.C. Code Ann. Section 2-1-230, an electronic version of the report was forwarded to the Office of Legislative Printing, Information and Technology Systems and to the State Library as provided in Section 60-2-30.

The submission of the annual mortgage log report is a requirement of the South Carolina Mortgage Lending Act ("the Act"), which became effective on January 1, 2010. The Act added Chapter 22, "Mortgage Lending," to the Consumer Protection Code, housed in Title 37, and significantly amended Chapter 58, "Licensing of Mortgage Brokers," of Title 40, "Professions and Occupations." These laws require lenders, servicers, and brokers in the mortgage industry to maintain accurate records and report their mortgage data for the previous calendar year annually by March 31.

The mortgage log report analyzes the following data, concerning all mortgage loan applications taken and a credit decision made: the borrower's credit score, term of the loan, annual percentage rate ("APR"), type of rate, and appraised value of the property. The mortgage log report also analyzes data required by the Home Mortgage Disclosure Act ("HMDA"), including the following information: the loan type, property type, purpose of the loan, owner/occupancy status, loan amount, action taken, reason for denial, property location, gross annual income, purchaser of the loan, as well as the applicant's and co-applicant's race, ethnicity, and gender.

This report is based on data received by the Department, in partnership with the Board of Financial Institutions Consumer Finance Division, through May 1, 2024. As of that date, the Department received information from **174,912 mortgage applications** taken in calendar year 2023. This amount continues the downward trend seen in 2022 when the 192,163 applications reported constituted approximately fifty-nine percent less than the number of mortgage applications taken in 2021 (304, 914). The 2023 number falls below that of (2020) 265,651 as well but still constitutes more applications received than in 2019 (163,511) or 2018 (131,309).

It is important to note that numbers may change over time due to the timing of pulling data for the report and when a business submits data or otherwise makes corrections or amendments to previously filed information. As a result, the total numbers in certain categories may change and totals from previous years may differ from prior reports.

APPLICANT DATA

Each mortgage lender, servicer, and broker must report information for mortgage loan applications where a credit decision is made. The collected information includes the applicant's gender, ethnicity, race, and income. The data must be reported for the applicant and for the co-applicant, if there is one.

Table 1 and Table 3 indicate the gender of the applicant and co-applicant, respectively.

Table 2 indicates the percentage of applications submitted that include a co-applicant.

In Table 4, *Applicant Race*, the "Other" category includes the following classifications:

- American Indian or Alaska Native,
- Asian, and
- Native Hawaiian or Other Pacific Islander.

Table 5 indicates the percentage of applicants with Hispanic or Latino ethnicity.

Table 1

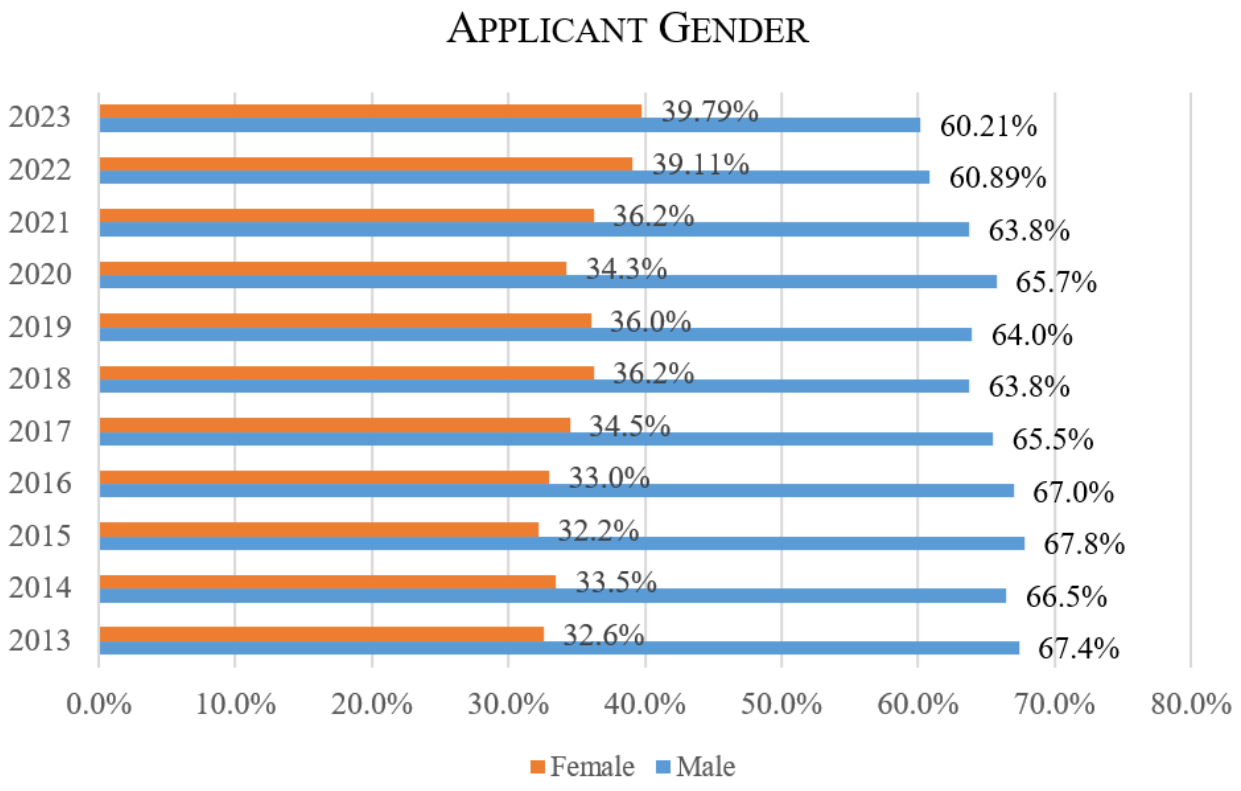
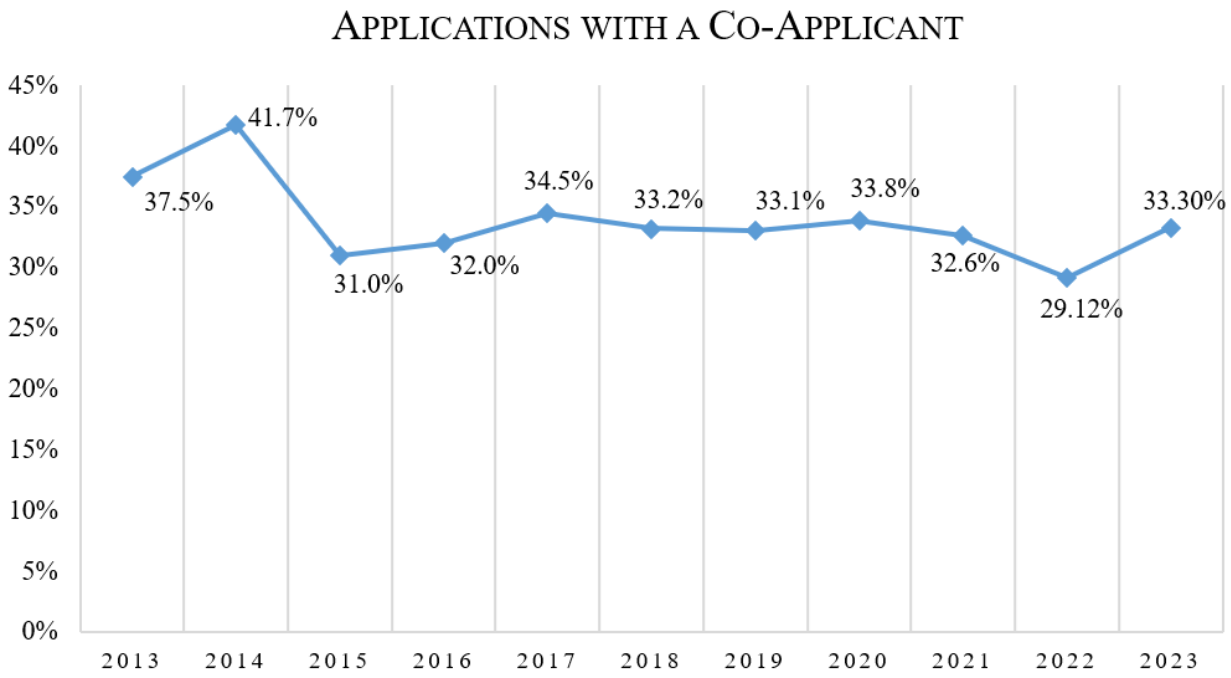


Table 2



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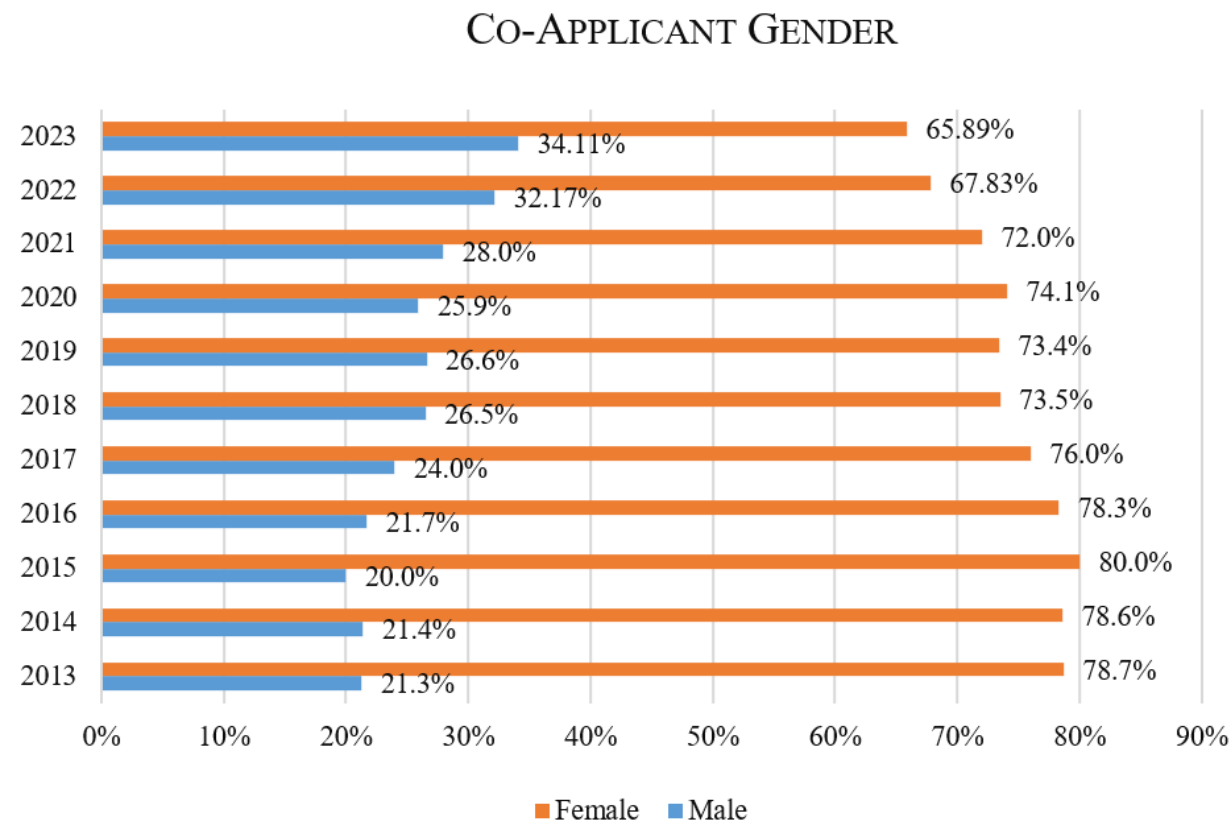

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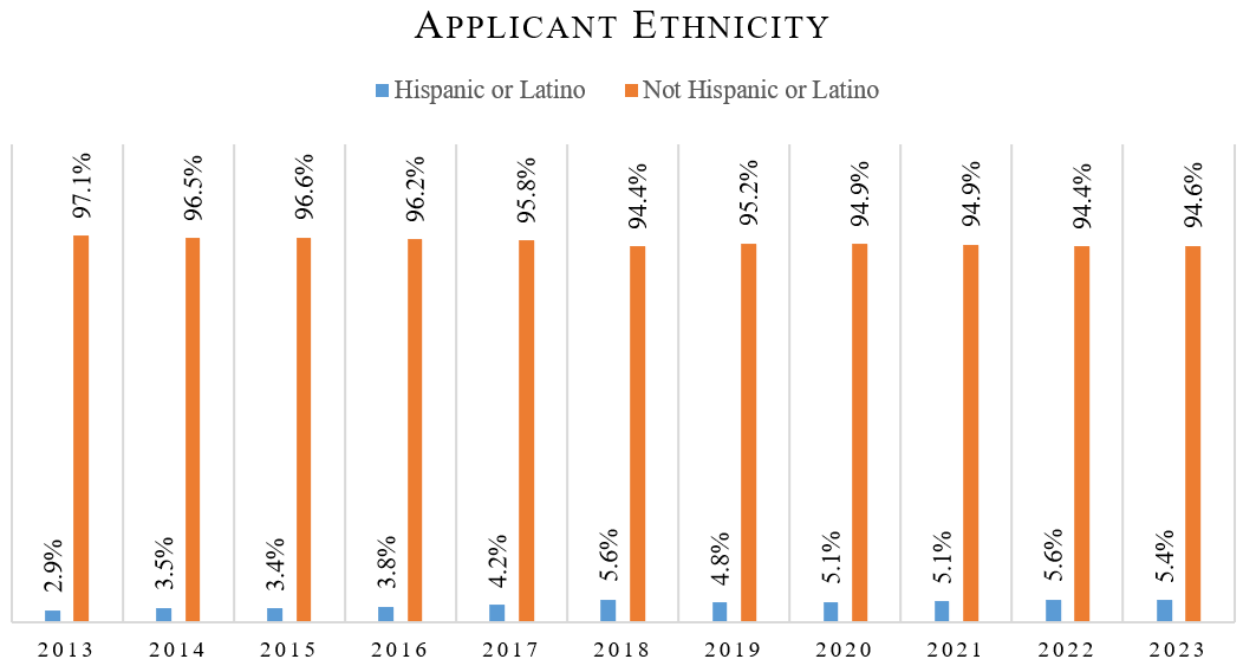
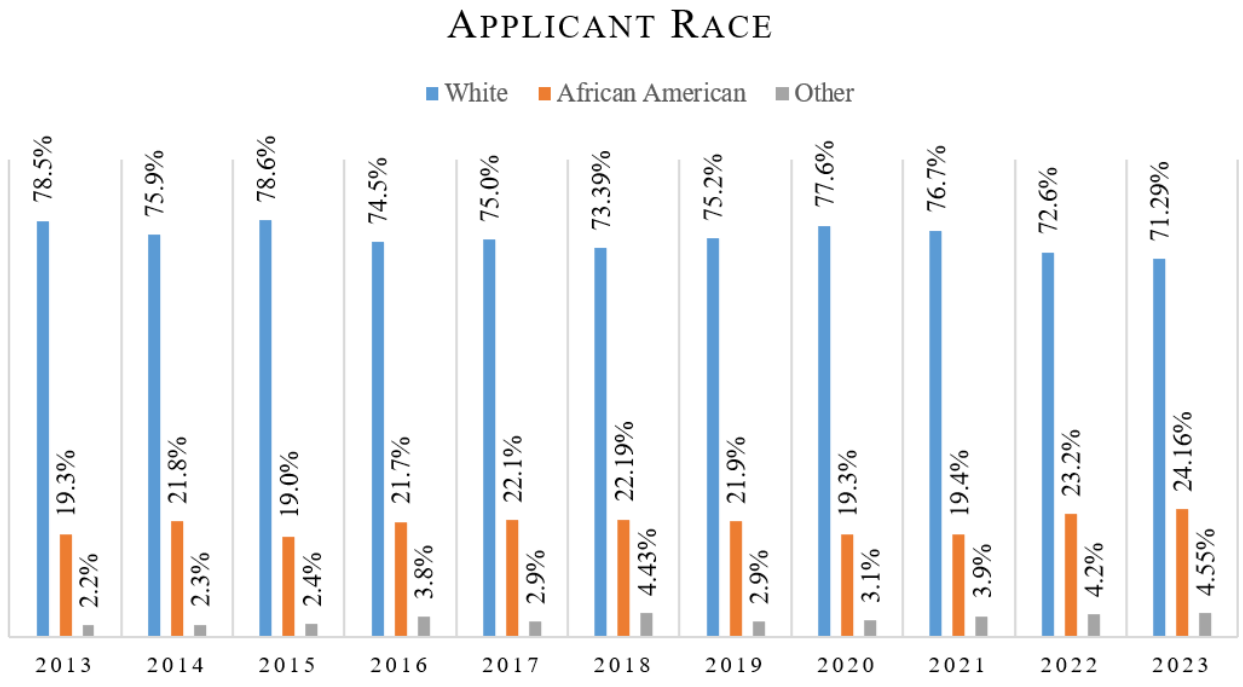


Table 5



APPLICATION DATA

In Table 6, *Application Action*, the graph displays the percentage of applications that were approved, withdrawn by the applicant, or denied. The graph does not display the percentage of loans purchased by an institution.

Table 7, *Reason for Denial*, displays the reasons for application denials, including credit history, collateral, debt-to-income ratio, incomplete applications, specified other, and unspecified other. The term "Specified Other" includes employment history, insufficient cash (for down payment or closing costs), mortgage insurance denied, and unverifiable income.

Table 6

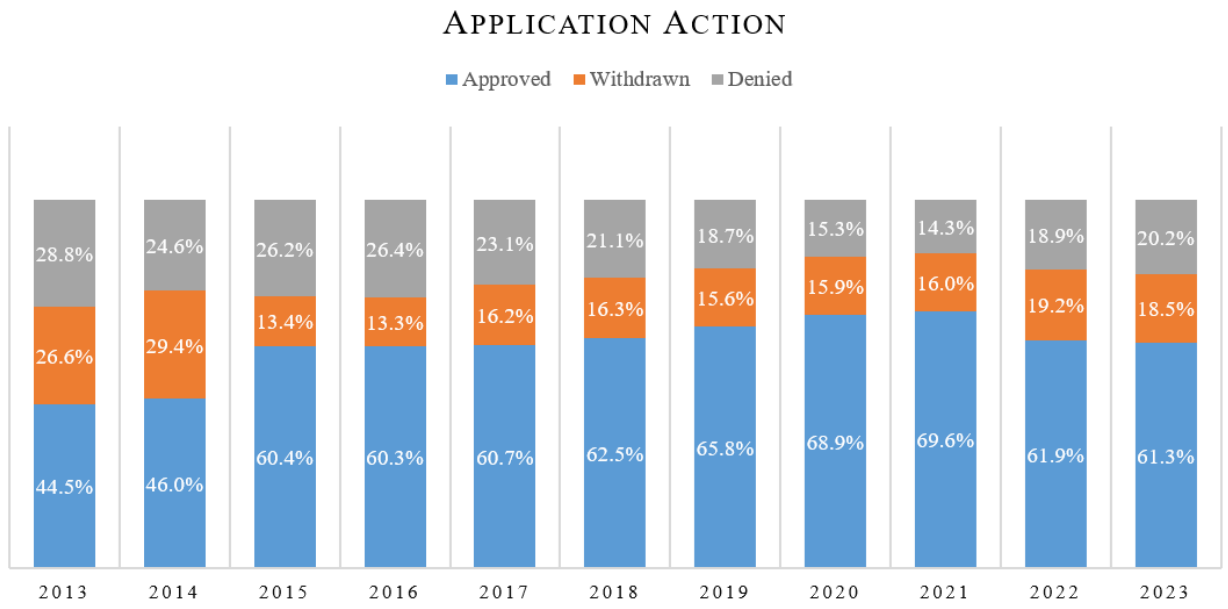
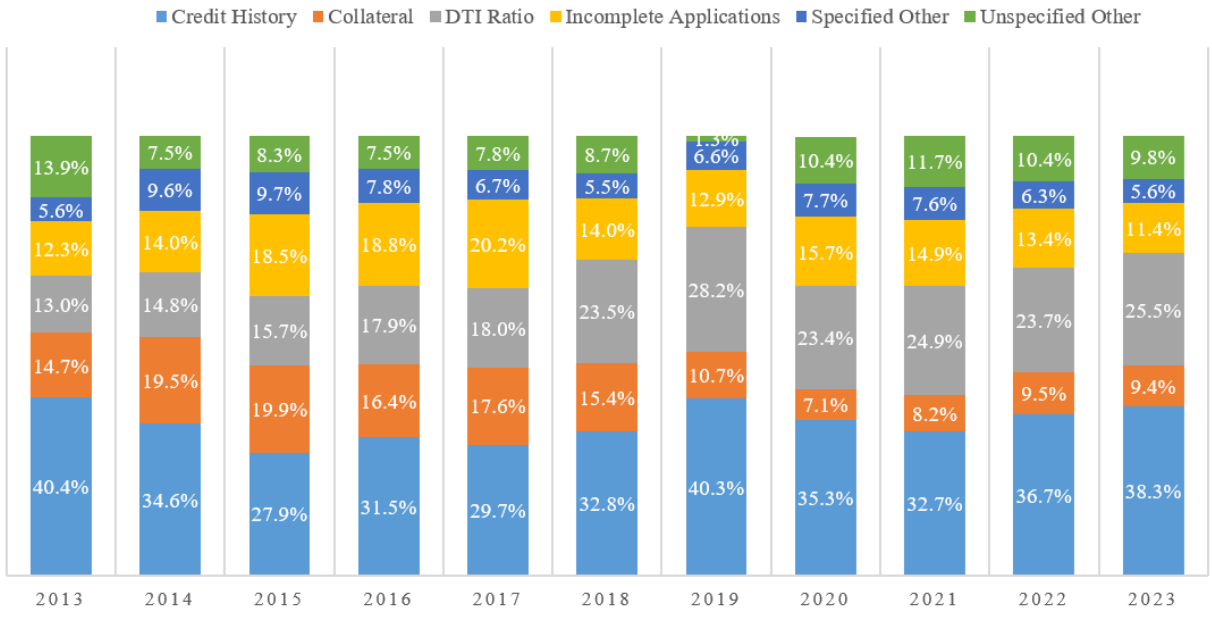


Table 7

Reason for Denial



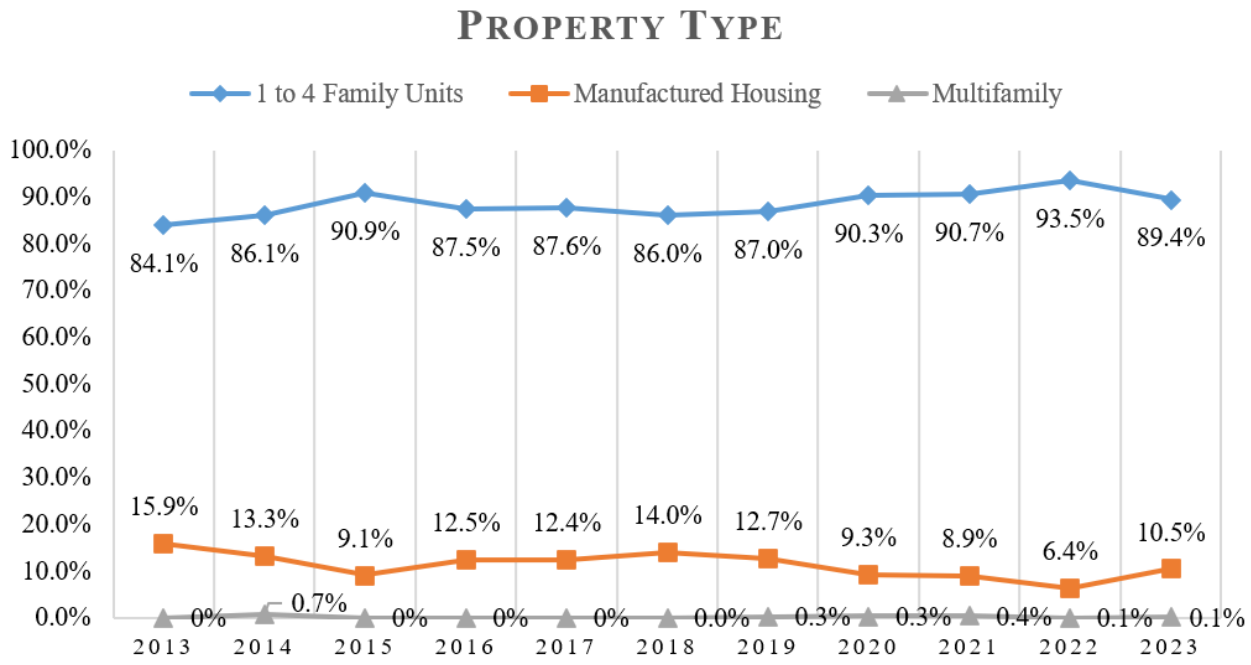
PROPERTY DATA

In Table 8, *Property Type*, the chart refers to whether the loan or application was taken to purchase a one-to-four family dwelling ("1 to 4 Family Units"), manufactured housing, or a multifamily dwelling. Loans for individual condominium units were included in the data for one-to-four family dwelling.

Table 9, *Owner-Occupancy*, indicates whether the loan application's designated property will be the owner's principal dwelling. "Owner-Occupied" means that the designated property will be the owner's principal dwelling. "Not Owner-Occupied" means that the property will be used as a second home, vacation home, or rental property rather than a principal dwelling.

Table 10, *Average Appraised Value of Property*, indicates the average value of the property relied on that secures the loan.

Table 8



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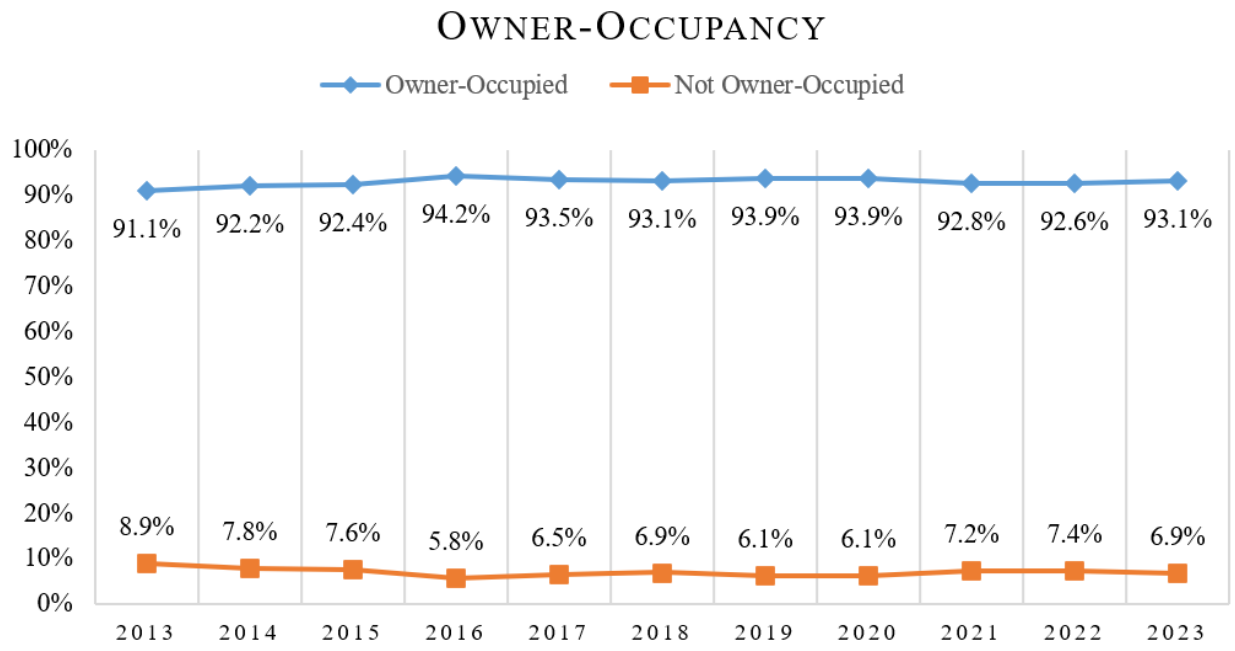

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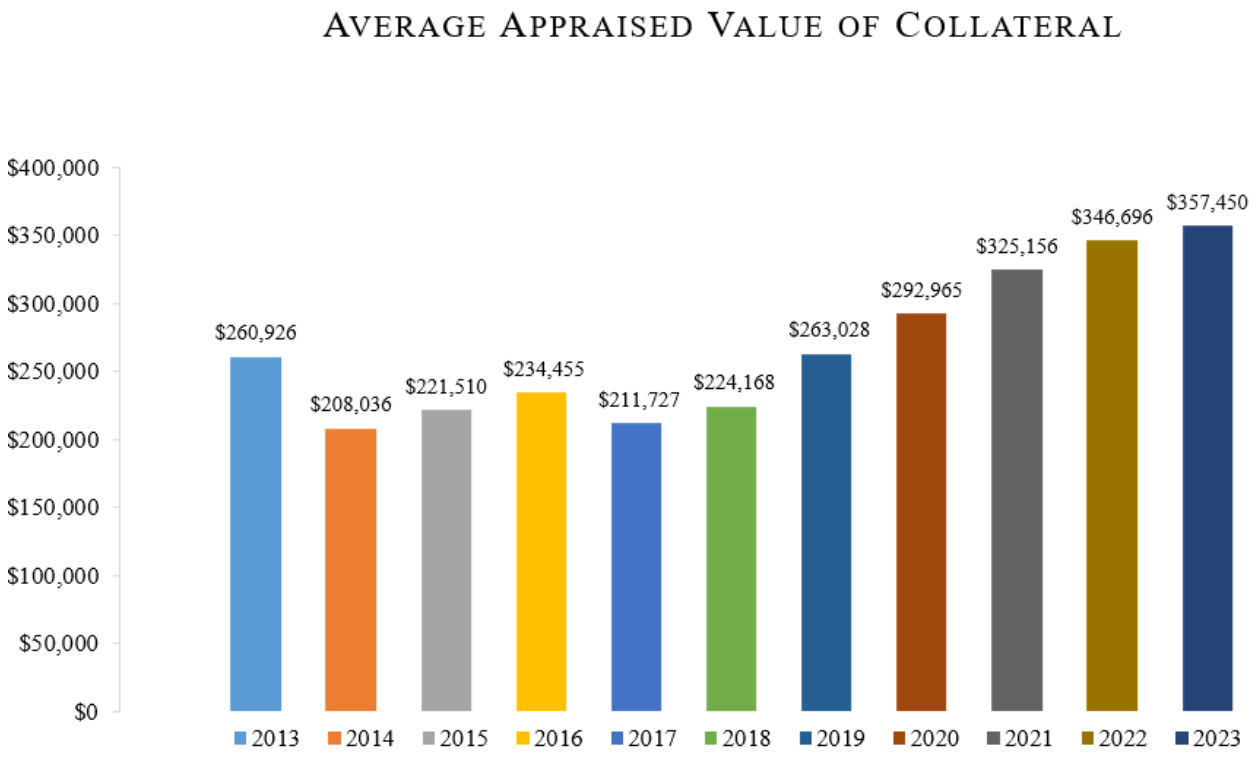


MORTGAGE LOAN DATA

In Table 11, *Loan Purpose*, indicates whether the transaction is for home purchase, home improvement, or refinancing.

In Table 12, *Loan Type*, the chart refers to Conventional, FHA-insured (Federal Housing Administration), VA-guaranteed (Veterans Administration), and FSA/RHS-guaranteed (Farm Service Agency or Rural Housing Service). The term "Conventional" refers to any loan other than FHA, VA, FSA, or RHS loans.

In Table 13, *Reverse vs. Non-Reverse Mortgages*, indicates whether the transaction is a reverse mortgage or a non-reverse mortgage (fixed-rate mortgage, adjustable rate mortgage, hybrid rate mortgage).

In Table 14, *Loan Term*, indicates the number of months after which the legal obligation will mature or terminate.

Table 11

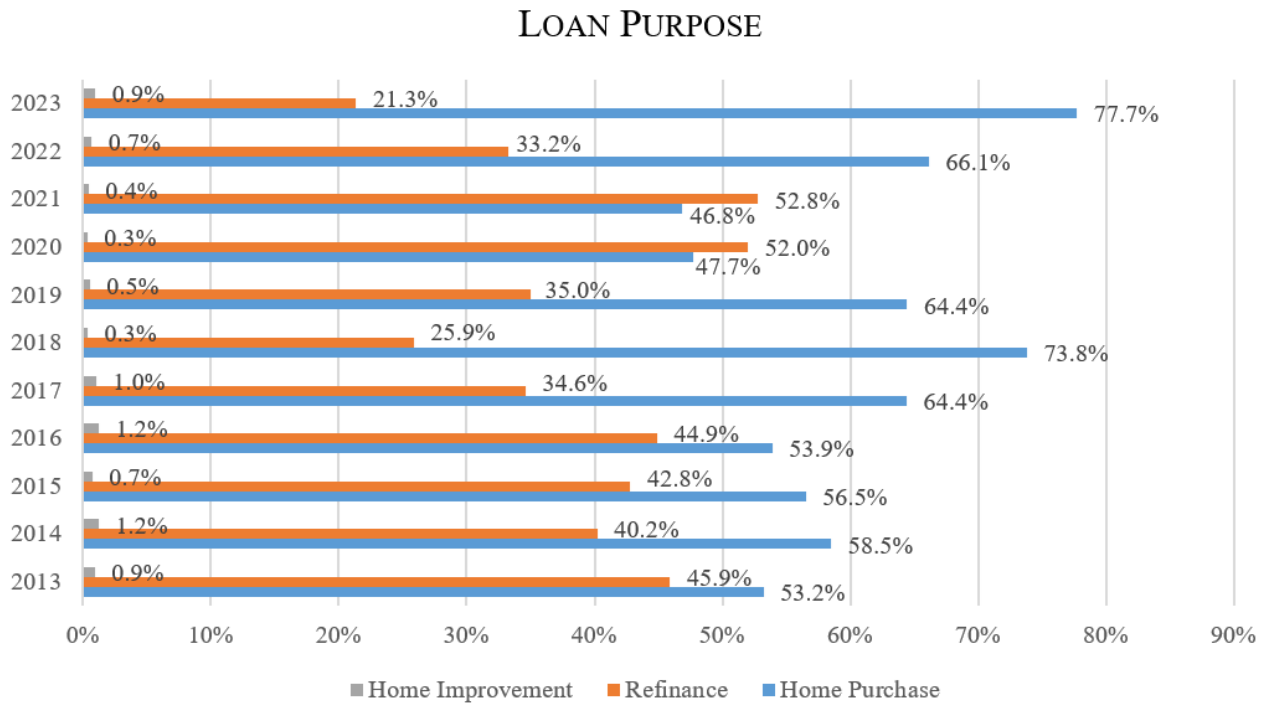


Table 12

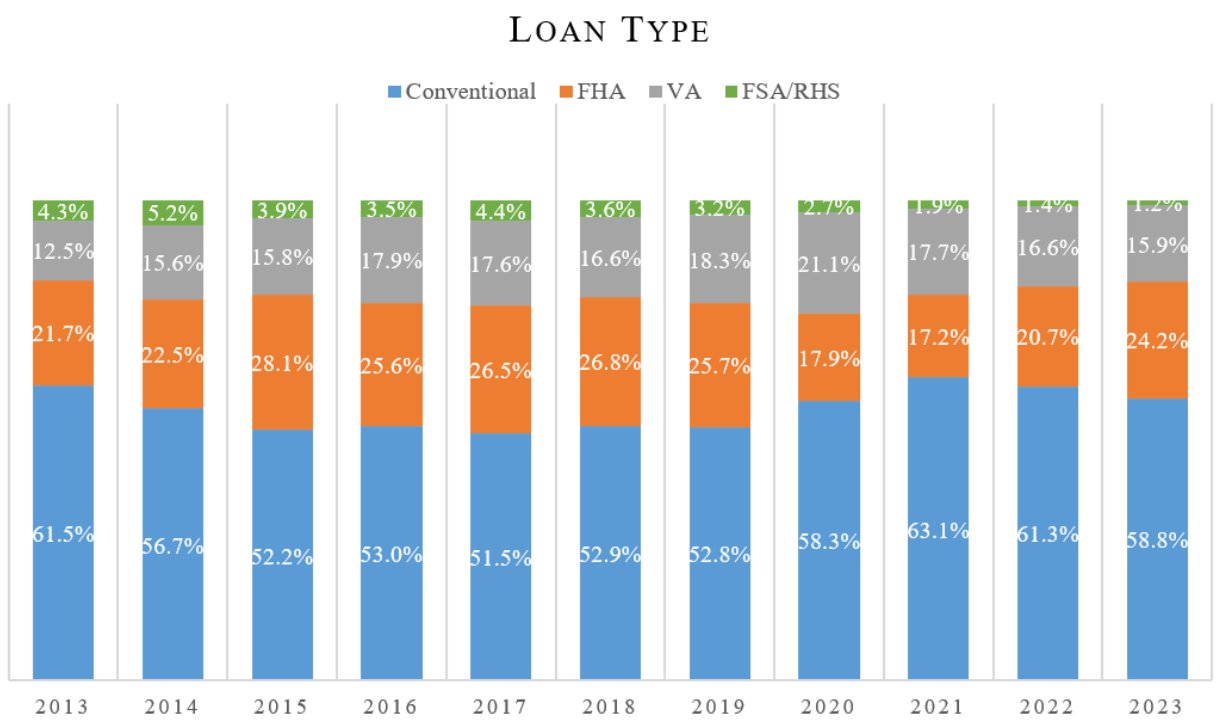
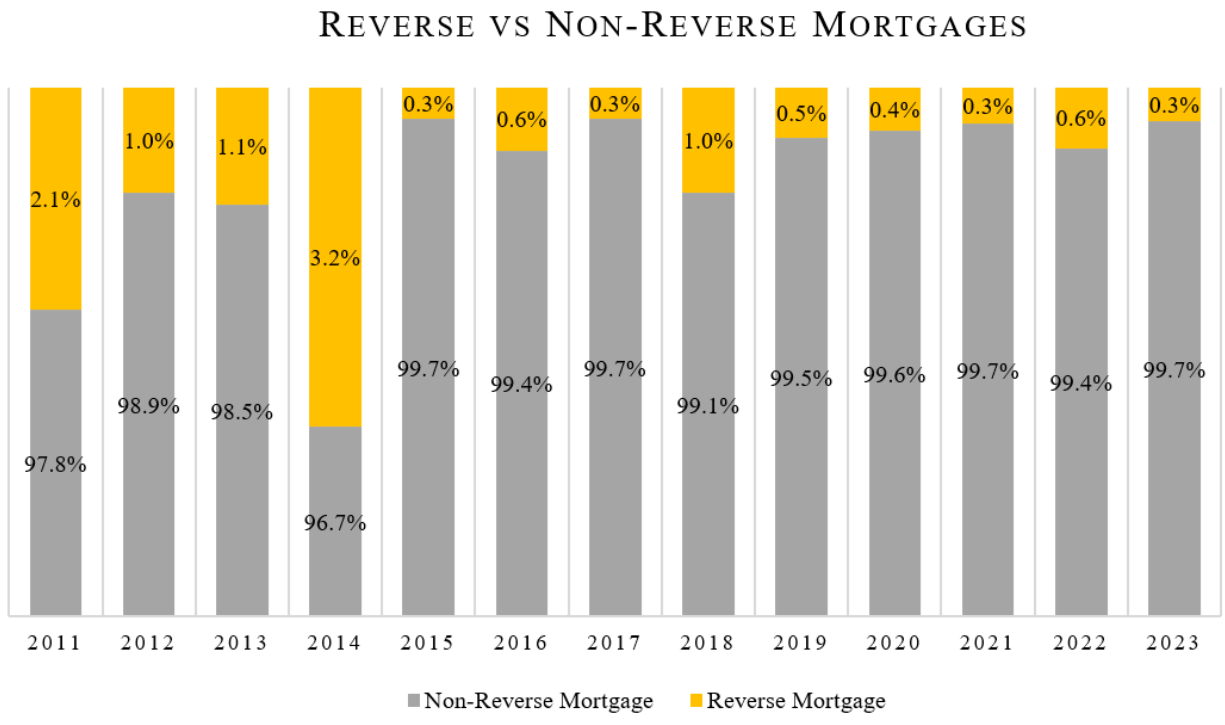


Table 13



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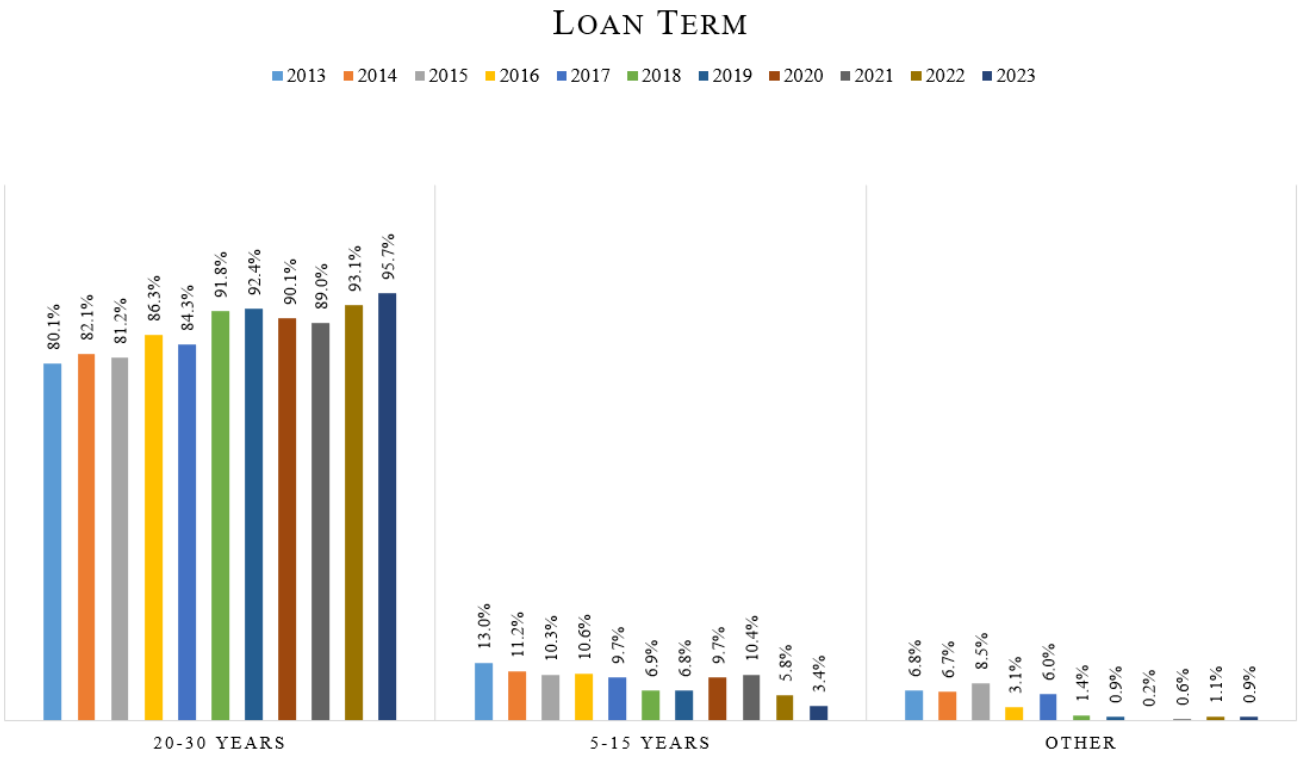
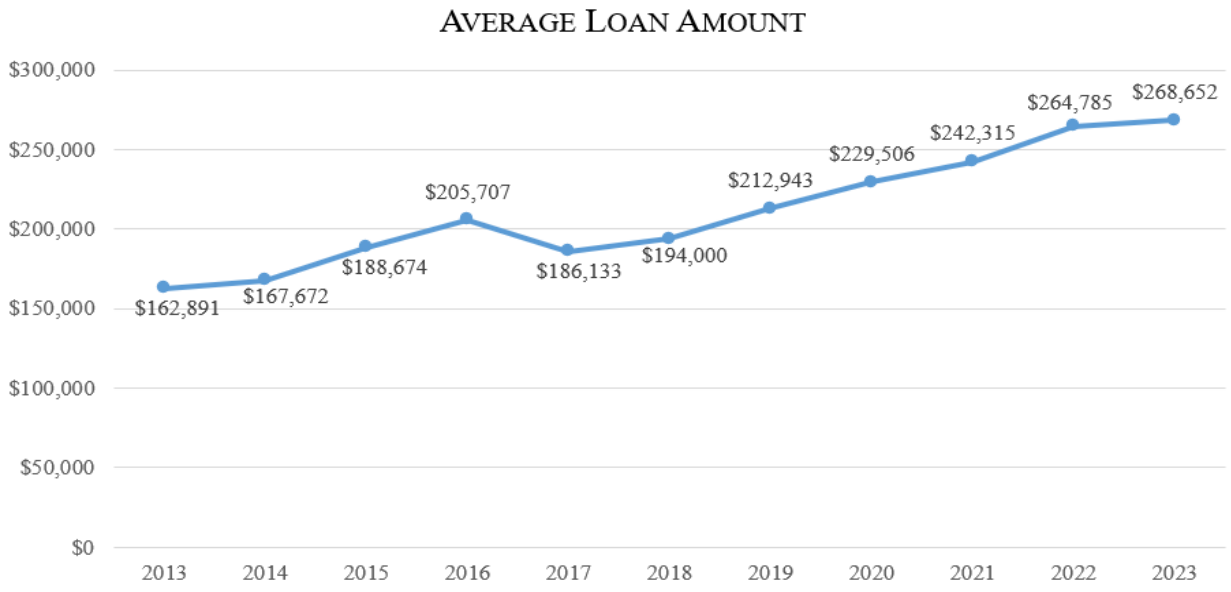

LOAN TERM
2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023
80.1% 82.1% 81.2% 86.3% 84.3% 91.8% 92.4% 90.1% 89.0% 93.1% 95.7%
13.0% 11.2% 10.3% 10.6% 9.7% 6.9% 6.8% 9.7% 10.4% 5.8% 3.4%
6.8% 6.7% 8.5% 3.1% 6.0% 1.4% 0.9% 0.2% 0.6% 1.1% 0.9%
20-30 YEARS
5-15 YEARS
OTHER

GENERAL DATA OF APPROVED LOANS

In Tables 15-18, *Average Loan Amount*, *Average APR*, *Borrower's Average Income*, and *Borrower's Average Credit Score*, the charts only include data for applicants approved for a mortgage loan.

Table 15



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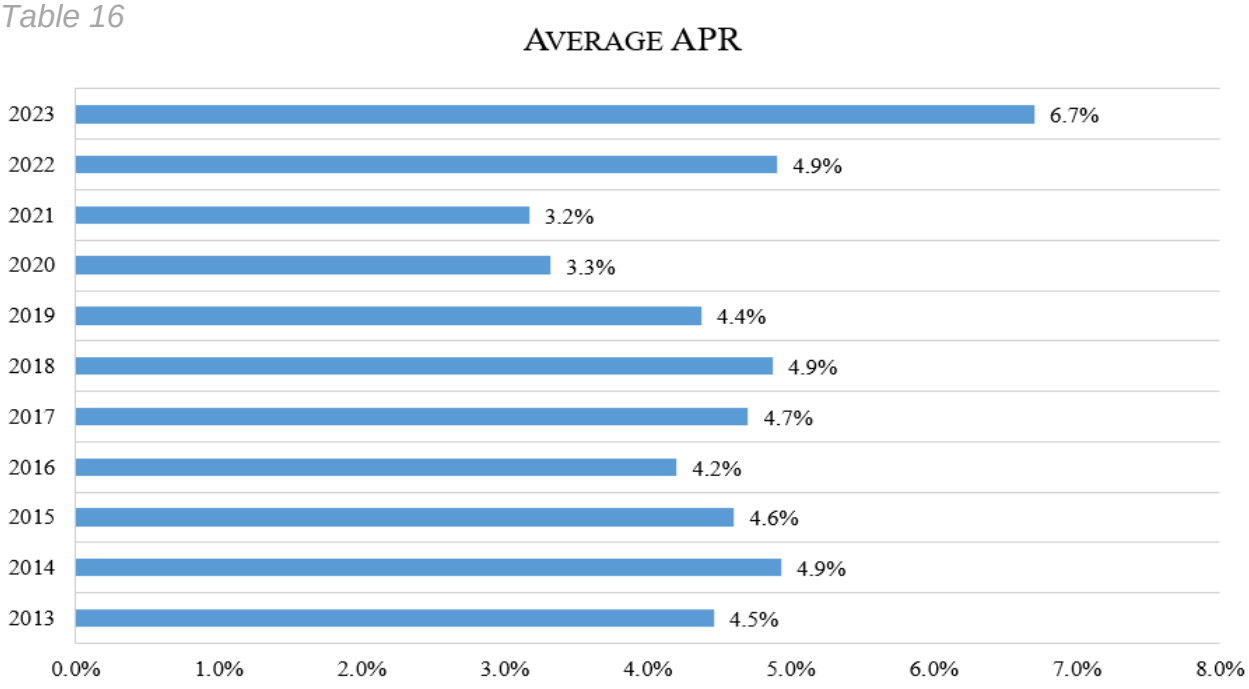

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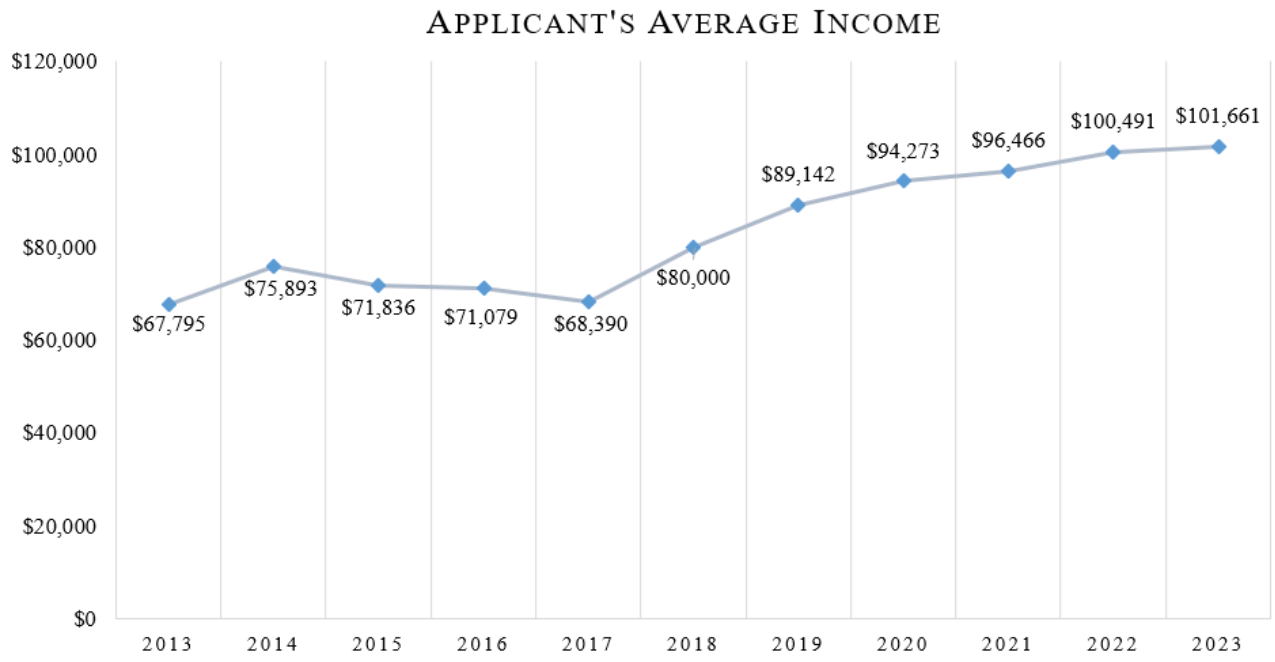
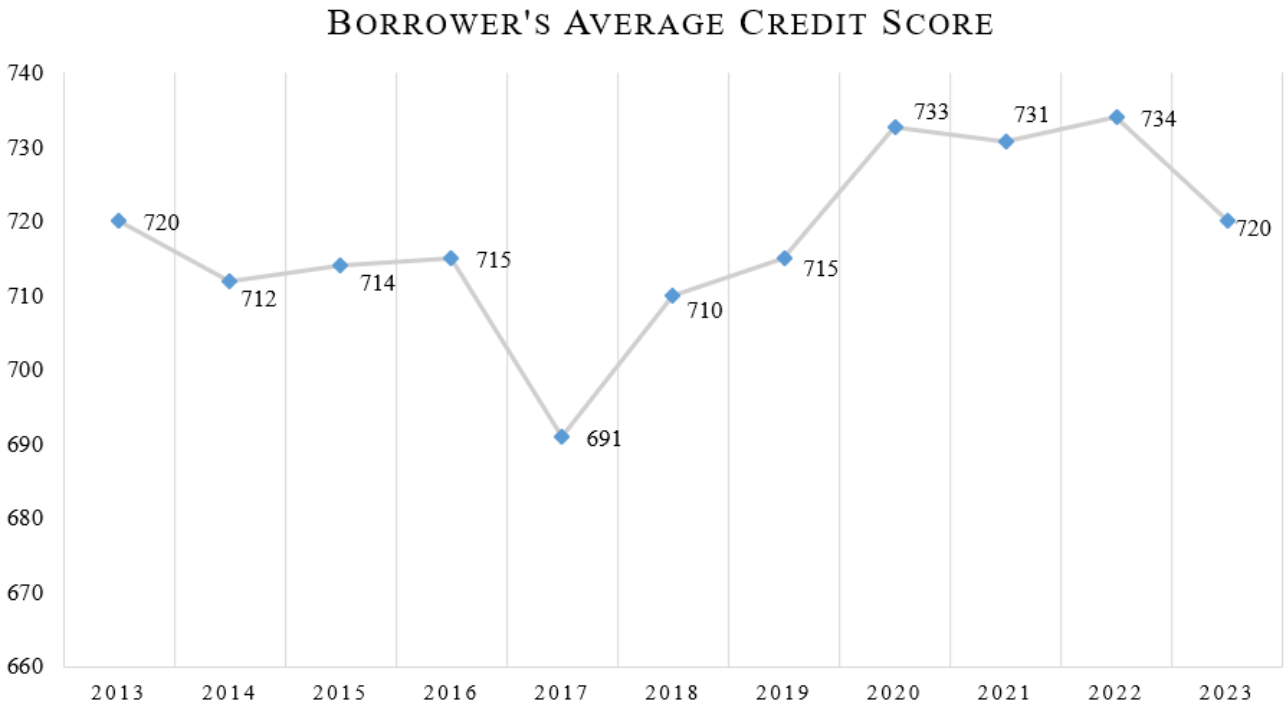
Table 18